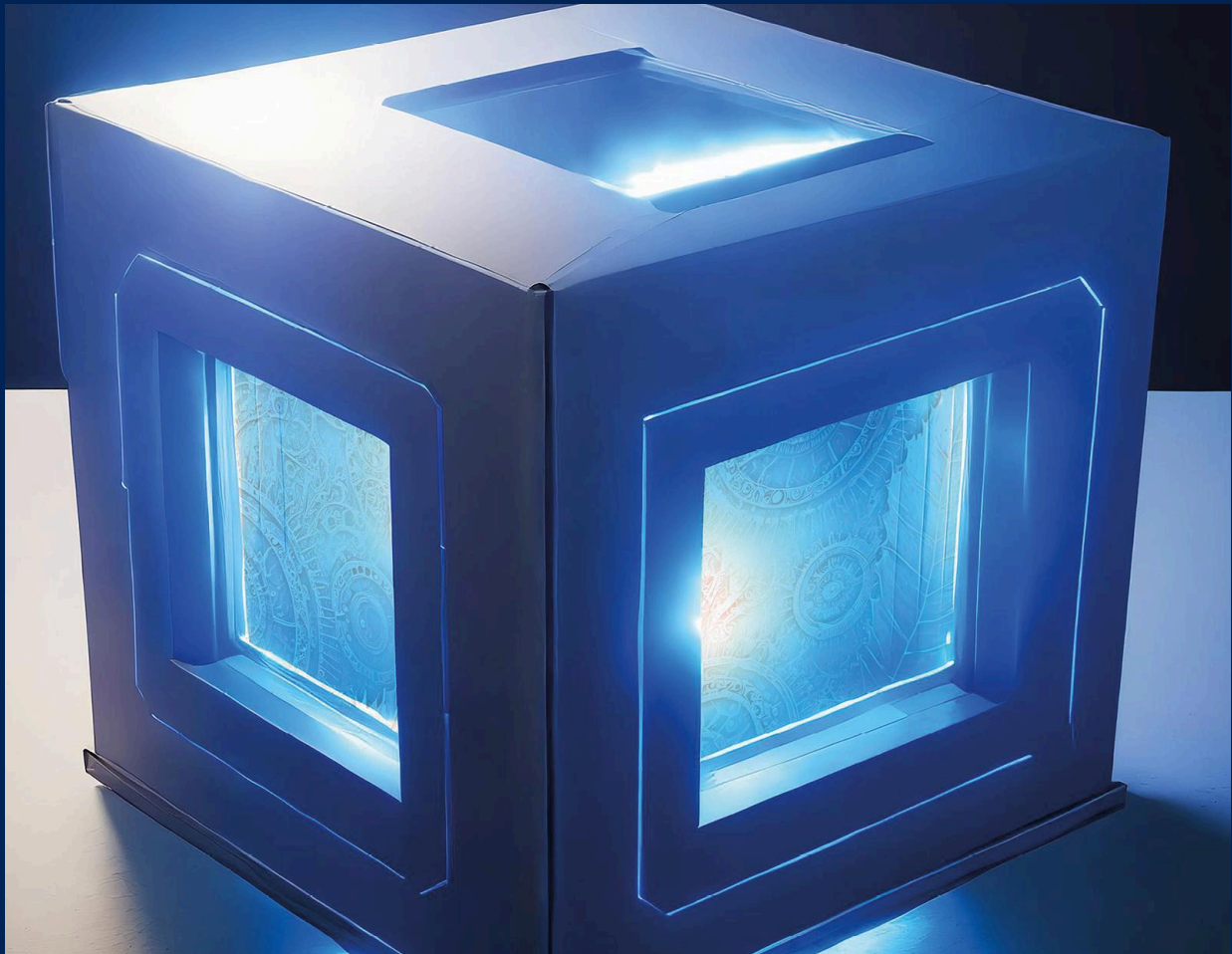


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Annual General Meeting 2024

Report of the Management Board on the authorization to exclude subscription rights

* Please note that this version of the report of the Management Board on the authorization to exclude subscription rights prepared for the convenience of English-speaking readers is a translation of the German original. For purposes of interpretation, the German text shall be authoritative and final.



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Written report of the Management Board to the Annual General Meeting on agenda item 10 regarding the exclusion of any shareholder tender rights when acquiring treasury shares and subscription rights when selling treasury shares in accordance with section 186 para. 4 sentence 2 AktG in conjunction with section 71 para. 1 no. 8 AktG

Section 71 para. 1 no. 8 of the German Stock Corporation Act (*Aktiengesetz - AktG*) allows stock corporations to acquire treasury shares up to a total of 10% of the share capital on the basis of an authorization by the Annual General Meeting.

Agenda item 10 contains the proposal to grant such an authorization limited to 5 years. This is intended to enable the Company to acquire treasury shares via the stock exchange up to a total of 10% of the Company's share capital. Section 71 para. 1 no. 8 AktG permits other forms of acquisition and disposal or use in addition to the typical case of acquisition and disposal via the stock exchange. It should be possible to make use of this option.

In addition to acquisition via the stock exchange, the Company should also be given the opportunity to acquire treasury shares by means of a public purchase offer addressed to the Company's shareholders or by means of a public invitation to submit offers to sell. The principle of equal treatment under German stock corporation law must be observed. The purchase price offered per share (excluding ancillary purchase costs) or, in the case of a public invitation to all shareholders to submit offers to sell, the limits of the purchase price range set by the Company (excluding ancillary purchase costs) may not exceed the average closing price of the Company's shares in the XETRA trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last five trading days prior to the day of the public announcement of the public purchase offer or the public invitation to submit offers to sell by no more than 10 %.

If, following the publication of a public purchase offer directed to all shareholders or a public invitation to all shareholders to submit offers to sell, there are significant deviations in the relevant share price, the purchase offer or the invitation to submit offers to sell may be adjusted. In this case, the average closing price of the Company's shares in the XETRA trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last five trading days prior to the public announcement of any adjustment will be used as a basis. The purchase offer or the invitation to submit such an offer may provide for further conditions.

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If the number of Koenig & Bauer shares offered for purchase exceeds the total volume intended for acquisition by the Company, the acquisition may be carried out excluding the shareholders' right to tender shares in proportion to the number of Koenig & Bauer shares tendered or offered per shareholder instead of in proportion to the participation quotas in order to simplify the allotment procedure. This simplification will be further enhanced by the possibility to preferentially consider small numbers of up to 100 tendered or offered shares per shareholder and to round them according to commercial principles.

The resolution provides for the Management Board to decide on the use of treasury shares with the approval of the Supervisory Board. The authorization is intended to enable the Management Board to react flexibly to the respective business requirements in the interests of the Company and while safeguarding the interests of the shareholders. For example, the Management Board can resell the treasury shares via the stock exchange or by means of an offer to all shareholders. In this case, subscription rights can be excluded for fractional amounts with the approval of the Supervisory Board in order to facilitate the transaction. The exclusion of subscription rights for fractional amounts is necessary in order to technically implement a sale of the acquired treasury shares by way of an offer to sell to the shareholders.

Shareholders' subscription rights to acquired treasury shares are also to be excluded to the extent that these shares are used for this purpose,

- offer them to third parties in return for contributions in kind, in particular in connection with company mergers for the purpose of acquiring companies, parts of companies, participations in companies or other assets or claims to the acquisition of other assets, including receivables from the Company.

The Management Board is to be enabled to offer the acquired shares to third parties outside the stock exchange as consideration in the case of mergers, for the purpose of acquiring companies, interests in companies, parts of companies or receivables from the Company as acquisition currency, without having to create shares from the authorized capital, which would lead to a dilution of the shareholders' participation. International competition and the globalization of the economy increasingly demand this form of consideration. The authorization proposed here is therefore intended to give the Company the necessary flexibility to take advantage of such opportunities quickly and flexibly without burdening the Company's liquidity. There are no concrete plans to make use of this authorization at the time of the resolution. When

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determining the valuation ratios, the Management Board will ensure that the interests of the shareholders are adequately safeguarded. As a rule, it will base the value of the shares given as consideration on their market price. However, a schematic link to a stock market price is not intended, in particular in order not to jeopardize negotiation results once they have been achieved due to fluctuations in the stock market price.

- to sell them to third parties. The price at which the Company's shares are sold to third parties may not be significantly lower than the stock market price of the shares at the time of the sale. When exercising this authorization, the exclusion of subscription rights based on other authorizations pursuant to section 186 para. 3 sentence 4 AktG must be taken into account.

This authorization enables the Company to react quickly to offers or investment requests from investors that serve the Company's business purpose. In the interest of expanding the Company's shareholder base, this is intended in particular to create the opportunity to offer shares in the Company to institutional investors in Germany and abroad and/or to tap into new groups of investors.

The financial and voting right interests of the shareholders are adequately safeguarded. The treasury shares sold with the exclusion of subscription rights in accordance with section 186 para. 3 sentence 4 AktG may not exceed a total of 10% of the share capital, either at the time this authorization becomes effective or - if this value is lower - at the time this authorization is exercised. Shares issued or sold during the term of this authorization until the time of exercise on the basis of further authorizations in direct or analogous application of section 186 para. 3 sentence 4 AktG shall be credited against this limit of 10% of the share capital if and to the extent that these shares together exceed a notional interest in the share capital of the Company of 10%. All shares issued and sold with the exclusion of subscription rights as described above may therefore not exceed a proportionate amount of 20% of the share capital either at the time the authorization is exercised or at the time the shares are issued or sold.

The financial interests of the shareholders and the concept of protection against dilution are also taken into account by the fact that the sale may only take place at a price that is not significantly lower than the stock market price in accordance with section 186 para. 3 sentence 4 AktG. The final determination of the selling price for

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the treasury shares will be made shortly before the sale. The Management Board will endeavor to keep any discount on the stock market price as low as possible, taking into account current market conditions.

- to fulfill option and/or conversion rights or obligations from bonds with warrants and/or convertible bonds issued by the Company or its Group companies.

The use of treasury shares excludes the dilution of shareholders' interests that would occur if the option or conversion rights were serviced or the corresponding obligations from conditional capital were fulfilled. The proposed exclusion of shareholders' subscription rights is therefore intended to enable the Company to decide flexibly whether it wishes to grant new shares from conditional capital, treasury shares that it has acquired or a cash settlement when exercising these rights or obligations. Whether and to what extent the authorization to use treasury shares is exercised or new shares from conditional capital or a cash settlement are granted will be decided by the Company in each case, taking into account the current market and liquidity situation in the interests of the shareholders and the Company. In doing so, it will also take into account the other options for the use of any treasury shares acquired.

- to offer them to employees of the Company and its affiliated companies or members of the corporate bodies of a company affiliated with the Company for purchase or to transfer them to them or to use them to fulfill commitments to purchase or obligations to purchase shares in the Company that have been or will be granted to employees of the Company and its affiliated companies or members of the corporate bodies of a company affiliated with the Company. In particular, they may also be used to service purchase obligations or purchase rights to shares in the Company that are agreed with employees as part of employee participation programs.

Issuing treasury shares to employees and managers is in the interests of the Company and its shareholders, as it encourages identification with the Company and the willingness to assume joint responsibility within the Company, thereby promoting an increase in the value of the Company. It is possible to structure remuneration with a long-term incentive effect, e.g. through lock-up periods, lock-up periods or retention incentives, which can take into account not only positive but also negative developments. In this way, remuneration can be geared towards sustainable corporate development.

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The use of existing treasury shares as a share price and value-oriented remuneration component instead of a capital increase or cash payment can make economic sense for the Company. To this end, shareholders' subscription rights must be excluded.

Shares may also be issued under the share programs to third parties who provide the participants in these programs with beneficial ownership and / or the economic benefits of the shares.

The treasury shares acquired on the basis of this or an earlier authorization resolution or in another permissible manner in accordance with the provisions of section 71 para. 1 AktG may also be redeemed by the Company without a new resolution by the Annual General Meeting. The redemption leads to a reduction in the share capital. In accordance with section 237 para. 3 no. 3 AktG, the Annual General Meeting of the Company may resolve to redeem its fully paid-up no-par value shares, even without this necessitating a reduction in the Company's share capital. The proposed authorization expressly provides for this alternative in addition to redemption with a capital reduction. The redemption of treasury shares without a capital reduction automatically increases the notional interest of the remaining no-par value shares in the Company's share capital.

The Management Board will examine in each individual case whether it should make use of the authorizations granted. It will only exclude the subscription right if the use of treasury shares is within the scope described in abstract terms by the Annual General Meeting in this report and if the use is in the interests of the Company. The Management Board will inform the subsequent Annual General Meeting about the use of the authorization.

Treasury shares that have been or will be acquired by the Company on the basis of an authorization or in another manner permissible under section 71 para. 1 AktG may also be used to service purchase obligations or purchase rights to Koenig & Bauer shares that have been or will be agreed with members of the Management Board of Koenig & Bauer AG as part of the regulations on Management Board remuneration. The exclusion of shareholders' subscription rights is also required in this respect. For example, variable remuneration components can be granted that provide incentives for long-term corporate management geared towards sustainability, by, for example, granting part of the variable remuneration not in cash but in the form of shares with a lock-up period or in share awards with a lock-up period. In addition, such share-based remuneration components can be linked to performance targets such as the performance of the Koenig & Bauer share price in relation to comparable industry indices or other value enhancement or sustainability targets. The transfer of shares subject to a lock-up period or the granting of shares with a lock-up period

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or other share-based remuneration instruments to members of the Management Board can defer part of the remuneration and thus increase loyalty to the Company by allowing the Management Board member to participate in a sustained increase in the value of the Company and only dispose of the remuneration components after the lock-up period has expired. This means that the Management Board member participates not only in positive but also in negative developments in the share price during the vesting period. The details of the remuneration of the Management Board members are determined by the Supervisory Board in compliance with the requirements of the German Stock Corporation Act (AktG).

The notional interest in the share capital attributable to treasury shares used on the basis of these authorizations in connection with share-based remuneration or employee share programmes for employees of the Company and its affiliated companies and for members of the Company's Management Board as part of Management Board remuneration may not exceed a total of 10% of the share capital. The arithmetical share of the share capital of those treasury shares used for members of the Management Board as part of their remuneration may not exceed 5% of the share capital. In each case, the share capital of the Company at the time this authorization becomes effective or - if this value is lower - the share capital existing at the time the authorization is exercised is decisive.

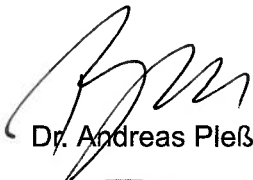
The above capital limit of 10% of the share capital shall include the proportionate amount of the share capital attributable to new shares that are used during the term of this authorization until the respective use of treasury shares from other authorizations with the exclusion of subscription rights for the purposes of share-based remuneration or employee share programs for employees of the Company or its affiliated companies and for members of the Company's Management Board. If the issue of shares to members of the Company's Management Board is permitted under other authorizations as part of Management Board remuneration, the pro rata amount of share capital attributable to new shares issued during the term of this authorization until the respective use of treasury shares from other authorizations with the exclusion of subscription rights to Management Board members as part of Management Board remuneration must also be offset against the above 5% limit. The Supervisory Board shall decide on the selected structure and type of service for the shares used as part of the Management Board remuneration and the Management Board shall decide on the other shares. In doing so, these bodies will be guided exclusively by the interests of the Company and its shareholders.

The authorizations contained under agenda item 10 may be exercised independently of each other, once or several times, individually or jointly, in whole or in part. If the proposed

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authorization is exercised, the Management Board will report on this at the next Annual General Meeting.

Würzburg, April 2024



Dr. Andreas Pleßke



Dr. Stephen Kimmich



Christoph Müller



Ralf Sammeck



Michael Ulverich